

IC 25-22.5-11

Chapter 11. Physician Referral to Certain Health Care Entities

IC 25-22.5-11-1

"Financial interest"

Sec. 1. (a) As used in this chapter, "financial interest" means an ownership or investment interest through equity, debt, or other means. The term includes an ownership or investment interest in an entity that holds:

- (1) directly; or
- (2) through a subsidiary;

an ownership or investment interest in a health care entity.

(b) The term does not include the following:

- (1) Ownership of investment securities (including shares or bonds, debentures, notes, or other debt instruments) that may be purchased on terms generally available to the public and that are:

- (A) securities:

- (i) listed on the New York Stock Exchange, the American Stock Exchange, any regional exchange in which quotations are published on a daily basis, or foreign securities listed on a recognized foreign, national, or regional exchange in which quotations are published on a daily basis; or

- (ii) traded under the National Association of Securities Dealers, Inc. Automated Quotations System; and

- (B) in a corporation that had, at the end of the corporation's most recent fiscal year, or on average during the previous three (3) fiscal years, stockholder equity exceeding seventy-five million dollars (\$75,000,000).

- (2) Ownership of shares in a regulated investment company as defined in section 851(a) of the Internal Revenue Code of 1986, if such company had, at the end of the company's most recent fiscal year, or on average during the previous three (3) fiscal years, total assets exceeding seventy-five million dollars (\$75,000,000).

As added by P.L.217-2005, SEC.26.

IC 25-22.5-11-2

"Health care entity"

Sec. 2. As used in this chapter, "health care entity" means an organization or a business that provides diagnostic, medical, or surgical services, dental treatment, or rehabilitative care.

As added by P.L.217-2005, SEC.26.

IC 25-22.5-11-3

Physician requirements before referring patient to health care entity; exception

Sec. 3. (a) Except as provided in subsection (b), a physician must do the following before referring an individual to a health care entity

in which the physician has a financial interest:

- (1) Disclose in writing to the individual that the physician has a financial interest in the health care entity.
- (2) Inform the individual in writing that the individual may choose to be referred to another health care entity.

The individual shall acknowledge receipt of the notice required under this section by signing the notice. The physician shall keep a copy of the signed notice.

(b) Subsection (a) does not apply if a delay in treatment caused by compliance with the requirements of subsection (a) would reasonably be expected by the referring physician to result in serious:

- (1) jeopardy to the individual's health;
- (2) impairment to the individual's bodily functions; or
- (3) dysfunction of a bodily organ or part of the individual.

As added by P.L.217-2005, SEC.26.

IC 25-22.5-11-4

Compliance as condition for physician licensure

Sec. 4. Compliance with this chapter is a condition of licensure under this article.

As added by P.L.217-2005, SEC.26.

IC 25-22.5-11-5

Intent not to conflict with federal law

Sec. 5. This chapter is not intended to conflict with 42 U.S.C. 1395nn or 42 U.S.C. 1396b(s).

As added by P.L.217-2005, SEC.26.